

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	Case No. 22-60043
FREE SPEECH SYSTEMS, LLC.,	§	Chapter 11 (Subchapter V)
	§	
Debtor.	§	

DEBTOR'S NOTICE OF CASH COLLATERAL BUDGET FOR JANUARY 2024

FREE SPEECH SYSTEMS, LLC. ("FSS" or "Debtor") files this notice in accordance with the *Seventeenth Interim Order Authorizing Debtor's Use of Cash Collateral and Providing Partial Adequate Protection* [ECF #772] where the Court ordered FSS to file a notice with an attached budget on or before seven days prior to the end of each month.

FSS' cash collateral budget for January 2024 is attached to this Notice as Exhibit A (the "Budget"). The Budget reflects the use of cash collateral consistent with the payment of reasonable and necessary operating expenses of FSS throughout the pendency of this case.

Respectfully submitted.

LAW OFFICES OF RAY BATTAGLIA, PLLC

/s/ RAYMOND W. BATTAGLIA

Raymond W. Battaglia

State Bar No. 01918055

rbattagliaw@outlook.com

66 Granburg Circle

San Antonio, Texas 78218

Tel. (210) 601-9405

Counsel to the Debtor and Debtor-In-Possession

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served by the Court's CM/ECF system on all parties registered to receive such service on the date of filing,

/s/Raymond W. Battaglia

Raymond W. Battaglia

Week Number	1/1/2024- 1/6/2024 1	1/7/2024- 1/13/2024 2	1/14/2024- 1/20/2024 3	1/21/2024- 1/27/2024 4	1/28/2024- 1/31/2024 5	Total	NOTES
Income							
Product Sales (Net of 7.0% Merchant Fee)	\$ 304,920.25	\$ 358,729.71	\$ 359,326.60	\$ 358,132.83	\$ 197,301.34	\$ 1,578,410.74	Net of 5.5% CC Merchant fees. Includes Shipping and Sales Tax, excludes any PQPR / Platinum /
New Product Initiative	95,189.55	111,987.70	112,174.04	111,801.37	61,593.24	492,745.89	Drop Ship vendor for Meals Ready to Eat and Coffee, gross sales
Point of Sales Revenue	33,188.49	39,045.28	39,045.28	39,045.28	21,474.90	171,799.23	Fulfillment Vendor Product Sales
Platinum / PQPR Commissioner	37,641.54	44,284.16	44,284.16	44,284.16	24,356.29	194,850.30	Net of 50% payment to PQPR
Donations	750.00	1,250.00	1,250.00	500.00	500.00	4,250.00	
Total Income	471,689.82	555,296.85	556,080.08	553,763.64	305,225.77	2,442,056.16	
Selling & Product Costs							
Inventory Purchases	-	(200,000.00)	-	(250,000.00)	-	(450,000.00)	Inventory deposits and purchases from numerous Vendors
New Product Initiative	(71,392.16)	(83,990.78)	(84,130.53)	(83,851.03)	(46,194.93)	(369,559.42)	Payments to Meal Ready to Eat Vendor
Point of Sale Product Cost	(19,913.09)	(23,427.17)	(23,427.17)	(23,427.17)	(12,884.94)	(103,079.54)	Fulfillment Vendor product costs
Fulfillment Services	(41,164.23)	(48,428.51)	(48,509.09)	(48,347.93)	(26,635.68)	(213,085.45)	Fulfillment Vendor shipping and handling costs
Texas Sales Tax (20% of Sales @ 6.25%)	(3,811.50)	(4,484.12)	(4,491.58)	(4,476.66)	(2,466.27)	(19,730.13)	
Total Cost of Goods Sold	(136,280.99)	(360,330.58)	(160,558.37)	(410,102.79)	(88,181.82)	(1,155,454.54)	
Operating Expenses							
Advertising & Promotion							
Print Media	-	-	-	-	-	-	
Radio Show Advertising	-	-	-	-	-	-	
Total Advertising & Promotion	-	-	-	-	-	-	
Computer/IT/IP Expense							
Internet & TV services	(2,500.00)	(1,750.00)	(3,250.00)	(3,250.00)	(1,750.00)	(12,500.00)	
Server Hosting / Cloud Service / Ecomm	(90,000.00)	(15,000.00)	(50,000.00)	(40,000.00)	(10,000.00)	(205,000.00)	
Satellite Service	(140,000.00)	(15,000.00)	(15,000.00)	(15,000.00)	-	(185,000.00)	
Telecommunications	(18,500.00)	(2,000.00)	(7,000.00)	(5,000.00)	(5,000.00)	(37,500.00)	
Image License, Software & Other	(10,000.00)	(10,000.00)	(10,000.00)	(7,500.00)	(2,500.00)	(40,000.00)	
Total Computer/IT/IP Expense	(261,000.00)	(43,750.00)	(85,250.00)	(70,750.00)	(19,250.00)	(480,000.00)	
Office & Administrative Expense							
Bank Fees & Service Charges	(100.00)	(200.00)	(200.00)	(200.00)	(100.00)	(800.00)	
Insurance	(12,000.00)	-	-	-	-	(12,000.00)	Liability, auto, property and workers comp
Rent	(57,440.00)	-	-	-	-	(57,440.00)	
Utilities	(3,100.00)	(800.00)	(500.00)	(500.00)	(500.00)	(5,400.00)	
Janitorial	-	(3,500.00)	-	-	-	(3,500.00)	Quarterly Cleaning fees
Office Security	(10,500.00)	(9,500.00)	(9,500.00)	(9,500.00)	(5,428.57)	(44,428.57)	
Repair & Maintenance	-	-	(5,000.00)	-	-	(5,000.00)	
Supplies/Printing/Copy	(1,000.00)	(1,000.00)	(2,500.00)	(2,000.00)	(1,000.00)	(7,500.00)	Includes Konica Minolta copier lease
Business Meals	(1,000.00)	-	(500.00)	-	(500.00)	(2,000.00)	
Total Office & Administrative Expense	(85,140.00)	(15,000.00)	(18,200.00)	(12,200.00)	(7,528.57)	(138,068.57)	
Personnel Expenses							
Salaries & Wages & Benefits	-	(157,500.00)	-	(157,500.00)	-	(315,000.00)	
Payroll Tax	-	(14,600.00)	-	(14,600.00)	-	(29,200.00)	
Contract Employees	(5,000.00)	(14,500.00)	(5,000.00)	(32,450.00)	(3,500.00)	(60,450.00)	
Consulting Services	(3,850.00)	(5,000.00)	(3,850.00)	(5,000.00)	(2,500.00)	(20,200.00)	HR, Tax and Bookkeeping Fees
Alex Jones Salary	-	(25,000.00)	-	(25,000.00)	-	(50,000.00)	Per the 11/27 Hearing, Jones Salary will be \$25,000 per pay period
Total Personnel Expenses	(8,850.00)	(216,600.00)	(8,850.00)	(234,550.00)	(6,000.00)	(474,850.00)	
Travel							
Mileage/Parking/Tolls	(100.00)	(100.00)	(100.00)	(100.00)	(50.00)	(450.00)	
Special Event Travel & Security	-	(18,500.00)	-	(17,000.00)	-	(35,500.00)	Alex Jones Podcast Appearance and Convention Appearance
Travel / Lodging	-	-	-	-	-	-	
Vehicle Rental / Leases	(500.00)	(500.00)	(500.00)	(500.00)	-	(2,000.00)	
Total Travel Expenses	(600.00)	(19,100.00)	(600.00)	(17,600.00)	(50.00)	(37,950.00)	
Total Operating Expenses	(355,590.00)	(294,450.00)	(112,900.00)	(335,100.00)	(32,828.57)	(1,130,868.57)	
Non-Operating Expenses							
Adequate Protection Payment to SEC Bank	(2,750.00)	-	-	-	-	(2,750.00)	
Total Other Expenses	(2,750.00)	-	-	-	-	(2,750.00)	
Professional Fees							
CRO Fees	-	-	-	(50,000.00)	-	(50,000.00)	
CRO Expenses	-	-	-	-	-	-	
Trustee Fees	-	-	-	(30,000.00)	-	(30,000.00)	
Trustee Counsel	-	-	-	(50,000.00)	-	(50,000.00)	
Legal Fees - Reynal	-	-	-	-	-	-	
Legal Fees - Tax Consulting	(25,000.00)	-	-	-	-	(25,000.00)	
Legal Fees - Texas Appellate Counsel	-	-	-	-	-	-	
Discovery Data Processing Fee	-	-	-	(8,000.00)	-	(8,000.00)	
Ray Battaglia	-	-	-	(70,000.00)	-	(70,000.00)	
Total Professional Fees	(25,000.00)	-	-	(208,000.00)	-	(233,000.00)	
Total Cash Flow	(47,931.17)	(99,483.73)	282,621.71	(399,439.15)	184,215.38	(80,016.95)	
Ending Cash	2,267,695.07	2,168,211.35	2,450,833.05	2,051,393.91	2,235,609.29		

EXHIBIT

A

exhibitsticker.com